

XL GROUP PLC
Form DEF 14A
March 11, 2013

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**SCHEDULE 14A
(Rule 14a-101)**

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

XL GROUP
Public Limited Company
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

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1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.

3) Filing Party:

4) Date Filed:

XL GROUP PLC
No. 1 Hatch Street Upper, 4th Floor, Dublin 2, Ireland

**NOTICE OF ANNUAL GENERAL MEETING OF HOLDERS OF ORDINARY
SHARES TO BE HELD ON FRIDAY, APRIL 26, 2013**

Dublin, Ireland

March 11, 2013

To the Holders of Ordinary Shares of XL Group plc:

Notice is hereby given that the Annual General Meeting of holders of ordinary shares of XL Group plc will be held at The Merrion Hotel, located at Upper Merrion Street, Dublin 2, Ireland, on Friday, April 26, 2013 at 8:30 a.m. local time for the following purposes:

1. To elect, by separate resolutions, three Class III Directors to hold office until 2016;
2. To ratify the appointment of PricewaterhouseCoopers LLP to act as the independent auditor of XL Group plc for the year ending December 31, 2013, and to authorize the Audit Committee of the Board of Directors to determine PricewaterhouseCoopers LLP's remuneration;
3. To provide a non-binding, advisory vote approving XL Group plc's executive compensation; and
4. To transact such other business as may properly come before the meeting or any adjournments thereof.

Only shareholders of XL Group plc at the close of business on March 6, 2013 are entitled to notice of, and to vote at, the annual meeting. For instructions on voting, please refer to the instructions on the enclosed proxy card.

During the meeting, management will present XL Group plc's Irish Statutory Accounts for the fiscal year ended December 31, 2012.

By Order of The Board of Directors,

Kirstin Gould
Secretary

Important Notice Regarding the Availability of Proxy Materials for the Annual General Meeting of shareholders to be held on April 26, 2013. Our Proxy Statement for the 2013 Annual General Meeting of shareholders and the Annual Report on Form 10-K for the fiscal year ended December 31, 2012 are available at www.envisionreports.com/XL if you are a shareholder of record, and www.edocumentview.com/XL if you are a beneficial owner.

Your vote is important. Whether or not you plan to attend the 2013 Annual General Meeting of shareholders, please vote as promptly as possible by telephone, through the internet or by requesting a paper proxy card to complete, sign and return by mail.

XL GROUP PLC

**PROXY STATEMENT FOR THE ANNUAL GENERAL MEETING OF HOLDERS OF
ORDINARY SHARES TO BE HELD ON APRIL 26, 2013**

GENERAL INFORMATION

The accompanying proxy is solicited by the Board of Directors of XL Group plc to be voted at the Annual General Meeting of holders of XL Group plc's ordinary shares to be held on April 26, 2013 and any adjournments thereof. Pursuant to the rules of the U.S. Securities and Exchange Commission (the "SEC"), we have elected to provide access to our proxy materials over the internet, except that hard copy versions of such materials will be provided to shareholders who have previously requested hard copies. Accordingly, we are sending the Notice of Internet Availability of Proxy Materials (the "Notice") to shareholders. The Notice, the Notice of Annual General Meeting, this Proxy Statement and the proxy card are first being made available to shareholders on or about March 11, 2013. We have made available with this Proxy Statement the Annual Report on Form 10-K for the fiscal year ended December 31, 2012 (the "Annual Report"), although the Annual Report should not be deemed to be part of this Proxy Statement. All shareholders will have the ability to access the proxy materials on a website referred to in the Notice. Upon request, shareholders will receive a printed set of the proxy materials. In addition, shareholders may specify how they would prefer to receive proxy materials in the future, including receiving proxy materials by e-mail or in hard copy format. By sending you the proxy materials over the internet or by e-mail, we save the cost of printing and mailing documents to you and reduce the impact of our annual general meetings on the environment. If you elect to receive future proxy materials by e-mail, you will receive an e-mail with instructions containing a link to those materials and a link to the proxy voting website. Your election to receive proxy materials by e-mail will remain in effect until you terminate it. Additionally, if you choose to receive future proxy materials by mail, your election to receive proxy materials by mail will remain in effect until you terminate it.

When the proxy card is properly executed, the shares it represents will be voted at the meeting on the following proposals: (1) the election, by separate resolutions, of the three nominees for Class III Directors identified herein; (2) the ratification of the appointment of PricewaterhouseCoopers LLP to act as our independent auditor and the authorization of the Audit Committee of our Board of Directors to determine the independent auditor's remuneration for the year ending December 31, 2013; and (3) the approval of our executive compensation through a non-binding, advisory vote.

Any shareholder giving a proxy has the power to revoke it prior to its exercise by giving notice of such revocation to the Company Secretary in writing to XL Group plc, One Bermudiana Road, Hamilton HM 08, Bermuda, by attending and voting in person at the Annual General Meeting or by executing a subsequent proxy, provided that such action is taken in sufficient time to permit revocation and the necessary examination and tabulation of the subsequent proxy before the votes are taken.

Shareholders of record as of the close of business on March 6, 2013 will be entitled to vote at the Annual General Meeting. As of March 6, 2013, there were 294,791,877 outstanding shares entitled to vote at the Annual General Meeting, with each share entitling the holder of record thereof to one vote at the Annual General Meeting (subject to certain limitations set forth in our Articles of Association - see footnote 1 to the table included under the heading "Security Ownership of Certain Beneficial Owners, Management and Directors").

Under the law applicable to Irish companies, we are required to provide you with our Irish Statutory Accounts for our 2012 fiscal year, including the reports of our Directors and auditors thereon, which accounts have been prepared in accordance with Irish law. The Irish Statutory Accounts are available on our website at www.xlgroup.com/financialreports/irish2012 and will be laid before the Annual General Meeting. Other than the presentation of our 2012 financial statements

and the minutes of the 2012 Annual General Meeting, we know of no specific matter to be brought before the Annual General Meeting that is not referred to in the Notice of Annual General Meeting. If any other matter comes before the Annual General Meeting, including any shareholder proposal properly made or any matter of a procedural or substantive nature (including any motion to amend a resolution or adjourn the Annual General Meeting), the proxy holders intend to vote proxies in accordance with their judgment.

The election, by separate resolutions, of each nominee for Director; the ratification of the appointment of, and authorization of the Audit Committee of our Board of Directors to determine the remuneration of, the independent auditor; and the approval of executive compensation on a non-binding, advisory basis each requires an affirmative vote of a majority of the votes cast on such proposal at the Annual General Meeting, provided there is a quorum (consisting of two or more shareholders present in person or by proxy and holding shares representing at least fifty percent (50%) of the issued shares carrying the right to vote at the Annual General Meeting). For purposes of determining a quorum, abstentions and broker non-votes present in person or by proxy are counted as represented. Although the advisory vote approving executive compensation is non-binding, the Board intends to carefully consider the results of this vote and, to the extent there is a significant negative vote, it intends to consult directly with shareholders as appropriate to better understand the concerns that influenced the vote.

With respect to proposal 1, the election of Class III Directors, and proposal 3, a non-binding, advisory vote approving executive compensation, abstentions and broker non-votes will not be considered votes cast with respect to such proposals. Therefore, abstentions and broker non-votes will have no effect on the outcome of those proposals.

With respect to proposal 2, the ratification of the appointment of the independent auditor and the authorization of the Audit Committee of our Board of Directors to determine the independent auditor's remuneration, shares owned by shareholders electing to abstain from voting on the proposal will not be considered votes cast with respect to such proposal and, therefore, will have no effect on the outcome of the proposal.

On July 1, 2010, XL Group plc and XLIT Ltd. (formerly known as XL Capital Ltd) completed a redomestication transaction in which all of the ordinary shares of XLIT Ltd. were exchanged for all of the ordinary shares of XL Group plc. For periods prior to July 1, 2010, references herein to we, our or the Company are to XLIT Ltd. and, as applicable, its subsidiaries. For periods on and subsequent to July 1, 2010, references herein to we, our or the Company are to XL Group plc and, as applicable, its subsidiaries.

**XL GROUP PLC
PROXY STATEMENT**

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PROPOSALS UNDER VOTE

1. ELECTION OF DIRECTORS

At the Annual General Meeting, three Class III Directors are to be elected to hold office until the 2016 Annual General Meeting of shareholders. All of the nominees are currently serving as Directors and were appointed or elected in accordance with our Articles of Association. The persons designated as proxies will vote FOR the election of each of the nominees, unless otherwise directed. All of the nominees have consented to serve if elected, but if anyone becomes unavailable to serve, the persons named as proxies may exercise their discretion to vote for a substitute nominee.

The name, principal occupation and other information concerning each nominee and each continuing Director, including the reasons for the view of the Board of Directors (sometimes hereinafter referred to as the Board) that each of the nominees for election, and each of the continuing Directors, should serve as Directors at this time, are set forth below.

Director Nominees

Class III Directors whose terms will expire in 2016:

Joseph Mauriello, age 68, has been a Director since January 2006. Mr. Mauriello was formerly Deputy Chairman and Chief Operating Officer of and a director of KPMG LLP (United States) and KPMG Americas Region from 2004 to 2005. During his 40 years at KPMG, Mr. Mauriello held numerous leadership positions, including Vice Chairman of Financial Services from 2002 to 2004. He is a Certified Public Accountant (Retired) in New York and is a member of the American Institute of Certified Public Accountants. He has also been a member of the board of overseers of the School of Risk Management, Insurance and Actuarial Science of the Peter J. Tobin College of Business at St. John's University since 2002, a trustee of the St. Barnabas Medical Center in New Jersey since 2003 and the St. Barnabas Health Care System since 2008, a member of the board of directors of the Alliance for Lupus Research since 2006 and a member of the board of trustees of Fidelity Funds since July 2007. From March 2007 to June 2012, Mr. Mauriello served as a member of the board of directors of Arcadia Resources, Inc., and from July 2006 to July 2007, he served as a member of the board of directors of the Hamilton Funds of the Bank of New York.

Mr. Mauriello's significant experience in the independent public accounting and financial services industries, including a 40-year tenure in senior positions with the leading international accounting firm of KPMG, makes him well-qualified to serve in his current position as Chair of the Audit Committee. He has in-depth familiarity with financial accounting practices and reporting responsibilities, including those unique to property, casualty and specialty insurance and reinsurance companies. In addition, the Board benefits from Mr. Mauriello's breadth of experience serving on the boards of directors of other entities that have, or control other entities that have, publicly traded securities.

Eugene M. McQuade, age 64, has been a Director since July 2004. Mr. McQuade is the Chief Executive Officer (CEO) of Citibank, N.A., a role he assumed in August 2009. He is also a member of Citigroup's Operating Committee and serves on the board of directors of Citibank, N.A. From February 2008 to February 2009, Mr. McQuade was Vice Chairman and President of Merrill Lynch Banks (U.S.). Mr. McQuade was President and Chief Operating Officer of the Federal Home Loan Mortgage Corp. (Freddie Mac) from September 2004 to September 2007 and a director of Freddie Mac from November 2004 to August 2007. Mr. McQuade was President and a director of Bank of America Corporation from April 2004 to June 2004. He previously had been President and Chief Operating Officer at FleetBoston Financial Corporation from 2002 to March 2004. Mr. McQuade served as Vice Chairman and Chief Financial Officer of FleetBoston Financial Corporation from 1997 to 2002. He also served as a director of FleetBoston Financial Corporation from 2003 until April 2004 (when FleetBoston Financial Corporation merged into Bank of America Corporation). Mr. McQuade is a Certified Public Accountant.

Mr. McQuade has extensive experience and financial expertise through his service in management positions such as CEO, president, vice chairman, chief financial officer and chief operating officer of several global, publicly traded financial institutions. This expertise makes him well-qualified to serve as Chair of the Risk and Finance Committee. In addition, the Board derives valuable insight and benefit from Mr. McQuade's judgment and experience as a current or former member of the board of directors of several financial institutions.

Clayton S. Rose, age 54, has been a Director since December 2009. Dr. Rose is a Professor of Management Practice at the Harvard Business School, and has been a member of its faculty since July 2007. Previously, he was an adjunct professor at the Stern School of Business at New York University (2002-2004) and at the Graduate School of Business at Columbia University (2002-2006). He is a trustee of the Howard Hughes Medical Institute and a director of Public/Private Ventures. From October 2010 to March 2012, Dr. Rose was a director of Freddie Mac, which included serving as chairman of its Audit Committee and as a member of its Compensation and Business and Risk Committees. In addition, Dr. Rose previously chaired the Board of Managers of Highbridge Capital Management, a hedge fund owned by JP Morgan Chase (2007-2010), and served as a director of Mercantile Bancshares (2001-2007) and Lexicon Pharmaceuticals (2003-2007).

Dr. Rose is a former executive of J.P. Morgan & Co., where he headed each of the Global Investment Banking and the Global Equities Divisions, and served as a member of the firm's executive committee. During his career at J.P. Morgan, he held management roles in various securities, derivatives and corporate finance businesses. This range of experience in the financial services industry, together with his academic role at three leading U.S. business schools, where he teaches or has taught courses on financial services, managerial responsibility, ethics and strategy, provide expertise in the areas of finance, investments, management, corporate governance and strategy. In addition, the Board derives benefit from Dr. Rose's experience as a former director of three publicly traded companies.

Your Board of Directors recommends that shareholders vote FOR the nominees for Class III Directors for terms to expire in 2016.

Directors Whose Terms of Office Do Not Expire at this Meeting

Class I Directors whose terms will expire in 2014:

Herbert N. Haag, age 66, has been a Director since June 2006. Mr. Haag was the founding President and CEO of Bermuda-based reinsurer PartnerRe Ltd. from 1993 until his retirement in December 2000. From December 2000 to 2002, Mr. Haag served as Senior Advisor of PartnerRe Ltd. Mr. Haag's insurance industry career spans approximately 40 years, including 24 years with Swiss Reinsurance Company where he held various senior positions, most recently as Executive Vice President responsible for Swiss Re Zurich's reinsurance business for the Americas, Asia, Africa and Southern Europe. Mr. Haag is the President of the Swiss-Japanese Society in Switzerland.

Having served as the President and CEO of PartnerRe Ltd., Mr. Haag brings to the Board a wealth of management experience with a focus on the opportunities and challenges facing the insurance and reinsurance industry on a worldwide basis. Mr. Haag's approximately 40 years of global reinsurance operations experience contributes to the Board's risk oversight role, particularly relating to oversight of Company policies and procedures in the area of enterprise risk management.

Michael S. McGavick, age 55, was appointed as a Director in April 2008, shortly prior to his commencement as our CEO on May 1, 2008. Previously, Mr. McGavick was President and CEO of Seattle-based insurer Safeco Corporation from January 2001 to December 2005, and was Chairman of Safeco's board of directors from January 2002 to December 2005. Prior to joining Safeco, Mr. McGavick spent six years with Chicago-based CNA Financial Corporation, where he held various senior executive positions before becoming President and Chief Operating Officer of the company's largest commercial insurance operating unit. Mr. McGavick's insurance industry experience also includes two years as Director of the American Insurance Association's Superfund Improvement Project in

Washington, D.C. where he became the Association's lead strategist in working to transform U.S. Superfund environmental laws. Mr. McGavick is a member of the boards of The

Geneva Association, the American Insurance Association and the Insurance Information Institute, and the Chairman of the board of the Association of Bermuda Insurers and Reinsurers. He also currently chairs the board of Landesa, a nonprofit organization that helps the rural poor around the globe obtain land rights.

Upon joining the Company in 2008, Mr. McGavick pioneered and has led the successful implementation of our strategy to simplify our organizational structure, focus on core property, casualty and specialty insurance and reinsurance businesses and enhance our enterprise risk management capabilities. Mr. McGavick provides innovative leadership and knowledge of all aspects of our business, and has a proven track record in the insurance industry, especially relating to turnaround management. Our ongoing strategy initiatives, including the recently completed Fresh Start review process discussed in Executive Compensation Compensation Discussion and Analysis, are examples of Mr. McGavick's innovative leadership in action. In addition, Mr. McGavick's previous political and public affairs experience enhances his contribution to the Company and the Board.

Sir John M. Vereker, age 68, has been a Director since November 2007. Sir John Vereker was the Governor and Commander-in-Chief of Bermuda from April 2002 to October 2007. Prior to that, he was the U.K.'s Permanent Secretary of the Department for International Development and of its predecessor, the Overseas Development Administration, from 1994 to 2002. Over the years, Sir John Vereker's career has included working at the World Bank, serving as Private Secretary to three U.K. Ministers of Overseas Development, working on public sector issues in the Policy Unit of the British Prime Minister's Office and serving as Deputy Secretary for the Department of Education and Science. He has been a Board Member of the British Council, the Institute of Development Studies and the Institute of Manpower Studies and Voluntary Service Overseas. He has served on the Advisory Councils for the Centre for Global Ethics and for the British Consultancy and Construction Bureau. He has also been an adviser to the U.N. Secretary-General's Millennium Development Project and a member of the Volcker panel, which investigated the World Bank's institutional integrity. Sir John Vereker is an independent director of MWH Global, whose principal business is wet infrastructure engineering, and a Trustee of the Ditchley Foundation.

As a result of his extensive career in the public sector, Sir John Vereker provides valuable insights to the Board in the areas of government relations and external affairs. In particular, Sir John Vereker's significant public sector experience and previous leadership positions in Bermuda and the U.K. bring depth to the Board's oversight of public policy matters on a global basis.

Class II Directors whose terms will expire in 2015:

Ramani Ayer, age 65, has been as a Director since February 2011. Previously, Mr. Ayer served as the Chairman of the board of directors and CEO of The Hartford Financial Services Group Inc. (The Hartford) from February 1997 to October 2009. In addition, Mr. Ayer is the former Chairman of the American Insurance Association, the Property & Casualty CEO Roundtable and the Insurance Services Office. He is currently Chairman of the Hartford Healthcare Corporation, the Vice Chairman of the Connecticut Council for Education Reform and a member of the board of the David Lynch Foundation. Previously, he also served as a member of the board and Chairman of the Hartford Hospital and as a member of the board of Maharishi University of Management.

During his 36-year career with The Hartford, Mr. Ayer held progressively senior roles until 2009. Mr. Ayer's long tenure as the Chairman of the board and CEO of The Hartford, during which time he built the company into a recognized leader in property and casualty insurance, provides him a wealth of experience with respect to the varied and complex issues that confront large (re)insurers, such as the Company. In particular, Mr. Ayer's vast knowledge and experience in the property and casualty space complement the existing expertise of the Board and benefit us as we continue to build on our solid foundation, global platform and depth of underwriting talent.

Dale R. Comey, age 71, has been a Director since November 2001. Mr. Comey served as alternate lead director of the Board from February 2008 to April 2009. Mr. Comey was a director of St. Francis Hospital and Medical Center, Hartford, Connecticut from 1988 to 2006. Prior to his retirement, Mr. Comey was Executive Vice President at the

corporate headquarters of the ITT

Corporation from 1990 to 1996, where he was responsible for directing the operations of several ITT business units, including ITT Hartford and ITT Financial Corporation. From 1988 to 1990, Mr. Comey was President of ITT Hartford's Property & Casualty Insurance Business.

Mr. Comey brings an actuarial background and extensive operational and business leadership skills to the Board. Through his experience serving in various senior leadership positions with ITT Corporation, he has first-hand knowledge of the varied and complex financial, operational and governance issues that confront large (re)insurers, such as the Company. This experience makes him well-suited to serve as Chair of the Nominating Committee. In addition, Mr. Comey's experience gained from serving as a director of a non-profit institution adds to the depth and breadth of his knowledge of operational, strategic and governance issues with which we may be confronted.

Robert R. Glauber, age 73, has been the non-executive Chairman of the Board since April 2009 and a Director since September 2006, having originally served on our Board from 1998 to May 2005. Mr. Glauber served as lead director of the Board from February 2008 to April 2009. Mr. Glauber is presently a Lecturer at the Harvard Kennedy School of Government. Most recently, Mr. Glauber served as CEO of the National Association of Securities Dealers, Inc. from November 2000 to August 2006 and, in addition, as Chairman from September 2001 to August 2006. Mr. Glauber is currently the Chairman of the board of directors of Northeast Bancorp, a director of Moody's Corporation and a trustee and Vice Chairman of the International Financial Reporting Standards Foundation. He previously served on the boards of Freddie Mac, Quadra Realty Trust, the Federal Reserve Bank of Boston, a number of Dreyfus mutual funds and the Investment Company Institute. From 1989 to 1992, he served as Under Secretary of the Treasury for Finance and, prior to that, was a Professor of Finance at the Harvard Business School. He is a Senior Advisor to Peter J. Solomon Company.

Mr. Glauber's strong management background in both the public and private sectors, and his expertise in financial services regulation, public policy and corporate governance provide him the consensus-building and leadership skills necessary to chair the Board. In addition, Mr. Glauber's variety of experience serving as a current or former director of several large financial companies adds to the depth and range of his contribution to the Board.

Suzanne B. Labarge, age 66, has been a Director since October 2011. From February 1999 until her retirement in December 2004, Ms. Labarge served as the Vice Chairman and Chief Risk Officer of Royal Bank of Canada (RBC Financial Group), where she was responsible for the management of enterprise-wide risk and served on the executive management committee, providing leadership for the overall strategic direction of RBC Financial Group. During her 25 years with Royal Bank of Canada, Ms. Labarge held a variety of roles within commercial and corporate lending, internal audit, and corporate treasury before assuming responsibility for risk management. During her career, Ms. Labarge also served the Canadian government as an assistant auditor-general and as deputy superintendent of the Office of the Superintendent of Financial Institutions Canada. Ms. Labarge currently serves as a member of the Supervisory Board of Deutsche Bank AG, a global investment bank, and as a member of the board and chair of the audit committee of Coca-Cola Enterprises, Inc., a cold beverage bottler and distributor. In addition, from January 2005 to May 2007, Ms. Labarge served as a director and chair of the audit committee of Novelis, Inc., a Canadian producer of aluminum products that is no longer a public company. Ms. Labarge also serves as a director of private corporations that each act as a trustee of a trust for the benefit of the Late John E. Irving. The principal corporations referred to above include: JEI PTC A Limited, JEI PTC B Limited, Ocean Capital Holdings Limited and Ocean Capital B Holdings Limited.

Ms. Labarge has extensive risk management and compliance experience and familiarity with the complexities involved in managing large, international corporations from her time at Royal Bank of Canada and as a member of Deutsche Bank's risk committee. That experience, as well as her service as a director of companies with significant international operations, makes her well suited to serve as a Director of the Company. Ms. Labarge also has in-depth familiarity with financial accounting practices and reporting responsibilities of public companies with global operations as a result of her current and prior service as a member or chairwoman of other companies' audit committees. The Board derives great benefit from Ms. Labarge's enterprise risk and financial management expertise,

executive management experience and financial accounting knowledge as it continues to develop its global insurance and reinsurance platforms.

2. RATIFICATION OF APPOINTMENT OF INDEPENDENT AUDITOR AND AUTHORIZATION OF AUDIT COMMITTEE TO DETERMINE THE REMUNERATION OF THE INDEPENDENT AUDITOR

The Audit Committee of the Board is required by law and applicable rules of the New York Stock Exchange (NYSE) to be directly responsible for the appointment, compensation and retention of the independent auditor. The Audit Committee has appointed PricewaterhouseCoopers LLP as our independent auditor for the year ending December 31, 2013. While shareholder ratification is not required by our Articles of Association or otherwise, the Board of Directors is submitting the appointment of PricewaterhouseCoopers LLP to the shareholders for ratification, on a non-binding basis, as part of good corporate governance practices. If the shareholders fail to ratify the appointment, the Audit Committee may, but is not required to, reconsider whether to retain PricewaterhouseCoopers LLP. Even if the appointment is ratified, the Audit Committee in its discretion may direct the appointment of a different independent auditor at any time during the fiscal year if it determines that such a change would be in the best interest of the Company and its shareholders. The Board is also asking our shareholders to authorize, in a binding vote, the Board, acting through the Audit Committee, to determine PricewaterhouseCoopers LLP 's remuneration. This authorization is required by Irish law.

The Board recommends a vote FOR the ratification of the appointment of PricewaterhouseCoopers LLP as our independent auditor to audit XL Group plc 's consolidated financial statements for the year ending December 31, 2013 and the authorization of the Audit Committee to determine the remuneration of the independent auditors. The persons designated as proxies will vote FOR the ratification of the appointment of PricewaterhouseCoopers LLP as our independent auditor and authorization of the Audit Committee to determine the remuneration of the independent auditors, unless otherwise directed. Representatives of PricewaterhouseCoopers LLP are expected to be present at the Annual General Meeting, with the opportunity to make a statement should they choose to do so and are expected to be available to respond to questions, as appropriate.

Your Board of Directors recommends that shareholders vote FOR the ratification of the appointment of PricewaterhouseCoopers LLP and the authorization of the Audit Committee to determine the remuneration of PricewaterhouseCoopers LLP.

3. NON-BINDING (ADVISORY) VOTE APPROVING EXECUTIVE COMPENSATION

This proposal gives shareholders the opportunity to express their views on the compensation paid to our named executive officers, as disclosed under the heading Executive Compensation Compensation Discussion and Analysis and the related compensation tables and accompanying narratives, by voting for or against the resolution set forth below. This resolution is required pursuant to Section 14A of the Securities Exchange Act of 1934, as amended (the Exchange Act). As previously announced, consistent with shareholders ' preferences expressed in the non-binding vote regarding the frequency of future executive compensation votes at our 2012 Annual General Meeting, we currently submit this proposal to shareholders for a non-binding vote on an annual basis. We intend to next present a proposal to shareholders regarding the frequency of future advisory executive compensation votes at our 2017 Annual General Meeting.

At our 2012 annual general meeting, shareholders strongly supported our executive compensation practices by a vote of over 98% of the votes cast. We maintained substantially similar programs for the 2012 performance year, as discussed in Executive Compensation Compensation Discussion and Analysis.

Our executive compensation programs promote a performance-based culture and align executives ' interests with those of shareholders by linking a substantial portion of compensation to our performance and by requiring executives to hold 100% of equity grants for one year after vesting, and prohibits sale transactions if the required level of

ownership set forth in Executive

Compensation Discussion Analysis 8. Executive Share Ownership is not met both before and after the sale. Our programs balance short- and long-term compensation features to encourage executives to achieve annual goals and objectives while also rewarding executives for producing value for shareholders over the long term. Our programs are also designed to attract and retain highly talented executives who are critical to the successful implementation of our strategy.

More specifically:

Incentive-based pay ranges from 82% to 89% of Total Direct Compensation, as defined under Executive Compensation Discussion and Analysis 3. Benchmarking Compensation ;

Annual base salary ranges from 11% to 18% of named executive officers Total Direct Compensation;

For our CEO Mr. McGavick specifically, annual base salary represents only 11% of his Total Direct Compensation, while approximately 67% is tied to the creation of long-term shareholder value and approximately 22% is tied to achievement of challenging annual performance goals; and

Our executive compensation programs:

Contain
clawback
provisions on
incentive awards
that may be
invoked for
executives who
engage in willful
misconduct that
results in a
financial
restatement due

to material non-compliance with financial reporting requirements;

Avoid perquisites that exceed customary levels;

Base long-term incentive compensation on financial metrics that are tied to our long-term success; and

Do not provide excise tax gross-ups for executives hired post-2009.

For the reasons discussed above, the Board recommends that shareholders vote for the approval of the named executive officers' compensation by approving the following resolution:

RESOLVED, that the shareholders approve the compensation of the named executive officers, as disclosed in the Compensation Discussion and Analysis, the compensation tables and the related disclosure contained in this proxy statement.

Your Board of Directors recommends that shareholders vote FOR the approval of the resolution set forth above.

CORPORATE GOVERNANCE

Our Board of Directors and management have a strong commitment to effective corporate governance. We have in place a comprehensive corporate governance framework for our operations, which, among other things, takes into account the requirements of the Sarbanes-Oxley Act of 2002, the SEC and the NYSE. The key components of this framework are discussed below.

Board of Directors

The size of the Board is currently ten members. Our Articles of Association provide that the Board of Directors shall be divided into three classes, designated Class I, Class II and Class III, with each class consisting as nearly as possible of one-third of the total number of Directors constituting the entire Board.

The term of office for each Director in Class III expires at the 2013 Annual General Meeting; the term of office for each Director in Class I expires at the 2014 Annual General Meeting; and the term of office for each Director in Class II expires at the 2015 Annual General Meeting. At each Annual General Meeting, the successors of the class of Directors whose term expires at that meeting are elected to hold office for a term expiring at the Annual General Meeting to be held in the third year following the year of their election.

In 2012, there were five meetings of the Board. Each Director attended 75% or more of the total number of such meetings of the Board and of the committees on which each such Director served during his or her term. See Committees below for the number of meetings held by each of the committees during 2012. We expect Directors to attend the Annual General Meeting and all eleven of our Directors at the time of the 2012 Annual General Meeting attended the Meeting.

Leadership Structure

The Board has a preference with respect to the separation of the office of Chairman of the Board from that of the CEO. The Board believes that this item is part of the succession planning process and should be regularly reviewed as appropriate. Robert R. Glauber has served as the non-executive Chairman of the Board since April 2009.

Qualifications of Directors and Board Diversity

The Board regularly considers the qualifications necessary for its members. In this regard, the Board believes that its members should be persons with superior business judgment and integrity, who have knowledge or experience in the areas of insurance, reinsurance, financial services or other aspects of our business, operations or activities, and who have distinguished themselves in their chosen fields of endeavor. In addition, the Board believes its members should have the talent and vision to provide oversight and direction in the areas of strategy, operating performance, corporate governance and risk management in order to maximize the interests of shareholders while maintaining the highest standards of ethical business conduct. The Board believes that each of its Directors contributes a strong background and set of skills to enable the Board to meet its responsibilities.

Our corporate governance guidelines provide that the Nominating, Governance and External Affairs Committee (the Nominating Committee) considers diversity among other factors in assessing the skills and characteristics of Director candidates and the Board as a whole. This consideration includes a broad evaluation of diversity of viewpoints, skills, experience and other demographics represented on the Board as a whole. This discussion and evaluation of diversity occurs at the Board and committee levels.

Board Role in Risk Management

We engage in risk management across all facets of our operations.

The Chief Enterprise Risk Officer (CERO) chairs the Enterprise Risk Management Committee, which is comprised of senior risk management executives. The CERO assists with the efficient identification, assessment, monitoring and reporting of key risks across our organization. The CERO reports directly to the CEO and acts as a liaison between the Enterprise Risk

Management Committee, the Board and the Risk and Finance Committee and other Board committees with respect to risk matters. All employees are expected to assist in the appropriate and timely identification and management of risks and to enhance the quality and effectiveness of enterprise risk management.

The Board's Risk and Finance Committee's enterprise risk management responsibilities include, among other things, review of the methodology for establishing our risk capacity, review and approval of enterprise risk limits and review of our overall risk profile and monitoring of key risks across the organization as a whole, which may involve coordination with other committees of the Board from time to time as appropriate. The review of our overall risk appetites and evaluation of the risk impact of any material strategic decision being contemplated, including consideration of whether such strategic decision is within the risk profile established by us, is conducted by the full Board.

With respect to compensation risk oversight and assessment, the Management Development and Compensation Committee (the Compensation Committee), which is responsible for oversight of executive compensation programs, in consultation with management and Meridian Compensation Partners, LLC, the Compensation Committee's independent compensation consultant (Meridian), reviewed the impact of executive compensation programs on our risk profile, and the incentives created by the compensation programs that the Compensation Committee administers. To aid the Compensation Committee in its review, in the summer of 2012 management completed an evaluation of each of our significant incentive compensation programs to determine whether the arrangements were designed and operated in a prudent manner.

During the evaluation process, management considered whether each incentive program's administration, oversight, structure and processes possessed a formal and consistently applied design and approval process, and provided for accurate and timely payouts and ongoing plan monitoring and oversight. Moreover, management evaluated the performance metrics utilized in these arrangements to determine whether they were consistent with our risk profile and motivated appropriate risk-taking behaviors.

Management provided the results of its evaluation to the Compensation Committee in October 2012. The evaluation demonstrated that the inherent risks in our compensation programs are appropriately mitigated in several ways. The compensation programs evaluated generally have multiple performance measures and/or vesting provisions that require executives to take into account both our short-term and long-term interests. With respect to equity-based awards, share ownership guidelines require executives to hold equity grants for specified periods of time. In addition, both equity and cash-based incentive awards are subject to clawback under certain circumstances for our executive officers. These practices encourage our executives to focus on the long-term creation of shareholder value. They are discussed in greater detail in Executive Compensation Compensation Discussion and Analysis 8. Executive Share Ownership.

The executive behaviors that drive the achievement of various performance goals under our incentive arrangements are also subject to rigorous oversight by management's enterprise risk management process, including reviews by the management Operational Risk and Anti-Fraud Sub-Committees. This is in addition to the application of our framework for finance internal controls and our underwriting, claims and actuarial guidelines and processes. The accuracy and timing of incentive arrangement payouts is monitored and overseen by various internal and external audit functions.

Finally, the Compensation Committee's reservation of discretion to take into account all relevant factors in determining the amounts of annual executive incentive awards and other incentive payments or awards mitigates the risk that a formulaic calculation of these payments or awards based on pre-established performance metrics could result in payouts that are not aligned with the creation of shareholder value and our overall financial performance. See Executive Compensation Compensation Discussion and Analysis.

Executive Sessions of Independent Directors

The independent Directors meet as a group in executive session at regularly scheduled meetings of the Board without any member of management in attendance. Mr. Glauber, the non-executive Chairman of the Board, presides at such executive sessions of the Board.

Independence Standards

The Board has adopted director independence standards to assist it in making determinations as to whether Directors have any material relationships with the Company for purposes of determining independence under the listing standards of the NYSE and applicable securities laws. In accordance with these standards, the Board of Directors determined in February 2013 that (i) each of Messrs. Ayer, Comey, Glauber, Haag, Mauriello and McQuade, Ms. Labarge, Dr. Rose and Sir John Vereker is independent in accordance with such standards, and (ii) that no transactions or relationships existed that were inconsistent with a determination that each such Director is independent.

In reaching its conclusion with respect to each of the independent Directors, the Board considered the information contained in this proxy statement as well as that (i) Mr. Mauriello receives a pension from a company that did business with us during 2012; and (ii) since August 2009, Mr. McQuade has served as the CEO of Citibank, N.A (Citibank). Citibank and its subsidiaries provide the Company with ordinary course banking services and were during 2012 and continue to be lenders and letter of credit issuers under certain of our credit facilities. In addition, affiliates of Citibank provided us with standard cash management and foreign exchange services during 2012. We believe that all of the transactional services provided to us by Citibank and its affiliates described above were entered into on an arm's length basis. As such, Citibank and its affiliates receive the same type of information regarding the Company as we provide to our other lenders and letter of credit issuers in connection with the establishment and maintenance of the facilities, and do not receive any additional information about the Company that is strategic in nature.

Committees

The Board has established an Audit Committee, a Compensation Committee, a Nominating Committee and a Risk and Finance Committee. In addition, special committees of the Board may be created from time to time to oversee special projects, financings and other initiatives. The Audit Committee is comprised entirely of directors who meet the independence, financial experience and other qualification requirements of the NYSE and applicable securities laws. In addition, each member of the Compensation Committee, the Nominating Committee and the Risk and Finance Committee meets the independence requirements of the NYSE. The members of the Compensation Committee are non-employee directors as defined by Rule 16b-3 under the Exchange Act and outside directors as defined by Section 162(m) of the Code.

Audit Committee

The Audit Committee's primary purpose is to assist in the Board's oversight of the integrity of our financial statements, including its system of internal controls, the independent auditor's qualifications, independence and performance, the performance of our internal audit function and compliance with legal and regulatory requirements. The Audit Committee is directly responsible for the appointment, compensation, retention and oversight of the work of the independent auditor in preparing or issuing an audit report or performing other audit, review or attestation services. Messrs. Mauriello (Chairman), Ayer and Comey, Ms. Labarge and Sir John Vereker comprise the Audit Committee. The Audit Committee met six times during 2012. The Board has determined that Mr. Mauriello is an audit committee financial expert (as that term is defined in Item 407(d)(5)(ii) of Regulation S-K).

Compensation Committee

The Compensation Committee reviews and approves the goals, objectives and performance of our CEO Mr. McGavick, as well as oversees executive management development and succession planning. In addition, the Compensation Committee is responsible for approving the compensation of all executive officers and other key executives and approving our overall compensation structure, including compensation and benefit plans. With respect to Mr. McGavick, the Compensation Committee recommends his compensation to the independent Directors of the Board for review and ratification. For additional information regarding the Compensation Committee's role with respect to assessing risk in compensation incentives, see Board Role in Risk Management. The Compensation Committee has engaged Meridian to assist it in its oversight of executive compensation. The Compensation Committee has determined that Meridian's work does not raise any conflict of interest based on the independence factors identified by the SEC and NYSE.

Messrs. Haag (Chairman), Ayer, McQuade and Rose comprise the Compensation Committee. The Compensation Committee met six times during 2012.

Nominating Committee

The Nominating Committee makes recommendations to the Board as to nominations to the Board and Board committee memberships and compensation for Board and Board committee members, as well as structural, governance and procedural matters. The Nominating Committee also reviews the performance and charters of the Board and of each standing committee of the Board, reviews public policy issues of significance to the Company and oversees our program of charitable giving and political contributions. Messrs. Comey (Chairman), Glauber and Mauriello, Ms. Labarge and Sir John Vereker comprise the Nominating Committee. The Nominating Committee met five times during 2012.

(i) Identifying and evaluating nominees

The Nominating Committee is responsible for reviewing with the Board, on an annual basis, the requisite skills and characteristics of individual Board members as well as the composition of the Board as a whole. For each Director, this assessment includes review of his or her independence, as well as consideration of diversity of viewpoints, skills, experience and other demographics in the context of the needs of the Board.

The Nominating Committee has engaged a third party search firm to assist it in seeking new Board members, whether to fill a vacancy or otherwise. The Nominating Committee also considers recommendations for new members from Board members, management and others, including shareholders. In general, the Nominating Committee looks for new members possessing superior business judgment and integrity who have distinguished themselves in their chosen fields of endeavor and who have knowledge or experience in the areas of insurance, reinsurance, financial services or other aspects of our business, operations or activities. In addition, the Board believes its members should have the talent and vision to provide oversight and direction in the areas of strategy, operating performance, corporate governance and risk management in order to maximize the interests of shareholders while maintaining the highest standards of ethical business conduct.

(ii) Nominees recommended by shareholders

The Nominating Committee will consider, for Director nominees, persons recommended by shareholders, who may submit recommendations to the Nominating Committee in care of the Company Secretary at XL Group plc, One Bermudiana Road, Hamilton HM 08, Bermuda. To be considered by the Nominating Committee, such recommendations must be accompanied by the information regarding the nominating shareholder and the proposed candidate required pursuant to Article 61 of our Articles of Association, which includes all information that would be required in connection with a solicitation of proxies for the election of directors in a contested election pursuant to

Section 14A of the Exchange Act, and a written statement from the proposed candidate that he or she is willing to be nominated and desires to serve if elected. Nominees for Director who are recommended by shareholders to the Nominating Committee will be evaluated in the same manner as any other nominee for Director. See Shareholder Proposals for 2014 Annual General Meeting.

Risk and Finance Committee

The Risk and Finance Committee reviews and oversees, among other matters, our capital structure, debt and equity issuances, dividend policy, acquisitions and divestitures, significant strategic investments, overall investment policy and performance, quarterly and annual financial results and enterprise risk management matters, including review of the methodology for establishing our risk capacity, review and approval of enterprise risk limits and review of our overall risk profile and monitoring of key risks across the organization as a whole. Since December 2011, all Non-Employee Directors are members of the Risk and Finance Committee. These Directors are Messrs. McQuade (Chairman), Ayer, Comey, Glauber, Haag and Mauriello, Sir John Vereker, Ms. Labarge and Dr. Rose. The Risk and Finance Committee met five times during 2012.

Compensation Committee Interlocks and Insider Participation

For the period from January 1, 2012 to December 31, 2012, Messrs. Haag (Chairman), Ayer and McQuade comprised the Compensation Committee. For the period from January 1 to April 26, 2012, Mr. Mauriello served as a member of the Compensation Committee; on April 26, 2012 Dr. Rose joined the Compensation Committee and Mr. Mauriello rotated off of the Compensation Committee. For the period from April 26, 2012 to November 2, 2012, Valerie Gooding was a member of the Compensation Committee. Ms. Gooding resigned from our Board in November 2012 due to an unforeseen substantial increase in time commitments at other companies of which Ms. Gooding served as a director or chairman, as a result of which she was unable to devote sufficient time to us for the foreseeable future.

No member of the Compensation Committee is, or was during 2012 or any time prior thereto, an officer or employee of the Company. No member of the Compensation Committee had any relationship with the Company or any of its subsidiaries during 2012 pursuant to which disclosure would be required under applicable rules of the SEC pertaining to the disclosure of transactions with related persons. None of our executive officers currently serves or has served in the past on the board of directors or compensation committee of another company at any time during which an executive officer of such other company served on our Board or Compensation Committee.

Communications with Members of the Board of Directors and its Committees

Shareholders and other interested persons may communicate directly with one or more Directors (including the Chairman or all Non-Employee Directors as a group) by writing to them in care of the Company Secretary at XL Group plc, One Bermudiana Road, Hamilton HM 08, Bermuda and specifying the intended recipient(s). All such communications will be forwarded to the appropriate Director(s) for review, other than communications that are advertisements or other communications determined not to bear substantively on our business or governance.

Code of Conduct

We have adopted a Code of Conduct that applies to all of our Directors, officers (including the CEO) and employees. We will post on our website at www.xlgroup.com any amendment to or waiver under the Code of Conduct granted to any of its Directors or executive officers that relates to any element of the code of ethics definition set forth in Item 406 of Regulation S-K of the Securities Act of 1933, as amended.

Website Access to Governance Documents

Our Director Independence Standards, Corporate Governance Guidelines, Code of Conduct, the charters for the Audit Committee, Compensation Committee, Nominating Committee and Risk and Finance Committee and other ethics and governance materials are available free of charge on our website located at www.xlgroup.com or by writing to XL Group plc, Investor Relations, 100 Washington Boulevard, 6th Floor, Stamford, CT 06902.

Procedures for Approval of Related Person Transactions

The Board of Directors has written policies and procedures relating to the approval or ratification of transactions with Related Persons, as defined below. Under these policies and procedures, management must present to the Nominating Committee any Related Person Transactions, as defined below, proposed to be entered into by the Company, including the aggregate value of such transactions, if applicable, and any Ordinary Course Related Person Transactions, as defined below, known to management. In reviewing proposed Related Person Transactions, the Committee must consider, among other things, if such transactions are on terms comparable to those that could be obtained in arm's length dealings with an unrelated third person and must review such transactions to ensure, among other things, that such transactions are on terms comparable to those that could be obtained in arm's length dealings with an unrelated third person or otherwise fair to the Company. After review, the Committee shall approve or disapprove such transactions. Subsequent to approval, management must update the Nominating Committee as to any material change to those transactions that have been approved by the Nominating Committee. No Director may participate in any approval of a Related Person Transaction in which he or she could have a direct or indirect interest. In instances where an Ordinary Course Related Person Transaction is reviewed, the Committee will consider whether such proposed transaction is in the ordinary course of business and on terms no more favorable than are made to other unrelated persons.

Under these policies and procedures, a Related Person Transaction is any transaction, including proposed charitable contributions or pledges of charitable contributions, in which the Company was or is a participant, the amount involved exceeds \$120,000 in any calendar year and a Related Person had or will have a direct or indirect material interest. A Related Person Transaction does not include the Company's providing insurance and/or reinsurance to shareholders or their affiliates, or to employers or entities associated with a Related Person in the ordinary course of business, on terms no more favorable to the (re)insureds than are made available to other customers (collectively, Ordinary Course Related Person Transaction(s)). A Related Person is a senior officer, director or nominee for director of the Company, a greater than 5% beneficial owner of our outstanding shares, any immediate family member (as that term is defined by Item 404 of Regulation S-K) of any of the foregoing or an entity in which a person listed in the foregoing has a substantial interest in, or control of, such entity or which employs a person listed in the foregoing.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

1. Introduction

2012 was a year of solid progress for us. Strategic initiatives took root and yielded improved results particularly in our underwriting margins. We completed our Fresh Start reviews, which included the critical examination of each of our businesses, the assessment of their capabilities and the resetting of strategic and financial aspirations. We believe the conclusions reached during these reviews had a particularly positive impact on our Insurance segment, which represents 64% of our operations.

Our Property and Casualty combined ratio for the full year improved by 11.2 points to 96.3%, which was especially noteworthy given the level of catastrophe losses and global economic conditions that the industry continued to face in 2012. The Insurance segment combined ratio results for 2012 were 100.6%, also an 11.2 point improvement from 2011. Notably, the combined ratio of the seven businesses identified as challenged during the Fresh Start reviews improved by 25.6% relative to the prior year. With a combined ratio of 86.9%, the Reinsurance segment delivered an underwriting profit for the seventh consecutive year.

Other 2012 highlights included:

Enterprise
net
premiums
written
increased by
9.6%, or
\$524
million, in
2012 as
compared to
2011,
reflecting
the
expansion of
Insurance
operations
into several
new
businesses
and
geographies
and the
building or
growing of
existing
platforms in
Political
Risk, U.S.
Inland

Marine,
Railroad and
Property
Excess &
Surplus.

Fully
diluted
tangible
book value
per
ordinary
share of
\$33.35 at
December
31, 2012,
an
increase of
\$5.04, or
17.8%,
from
December
31, 2011.¹

Total
shareholder
return (TSR)
was 29.2% for
the year,
placing us in
the top
quintile
among our
2012
compensation
peer group
(described
below). TSR
represents the
change in
share price,
including the
impact of
dividends
paid, over the
period
(December
30, 2011 to
December 31,
2012).

We continued our share buyback program, effectively managed our capital and generally strengthened our financial position.

As shown below, we improved on several key metrics as compared to 2011, and plan to build on that momentum in 2013:

Key Financial Metrics
(dollar values in thousands)

	2011	2012
Return on Average Ordinary Shareholders' Equity	-5.0 %	6.5 %
Net Income (Loss) attributable to Ordinary Shareholders	(\$474,760)	